

**THE UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF
MISSISSIPPI (ABERDEEN)**

IN RE:

PRO LOGGING, INC.,

Debtor.

**Case No. 18-12388-JDW
Judge Jason D. Woodard
Chapter 11**

**REGIONS BANK'S RESPONSE TO MOTION OF TCF EQUIPMENT FINANCE, A
DIVISION OF TCF NATIONAL BANK, TO REQUIRE DEBTOR'S ASSUMPTION OR
REJECTION OF EXECUTORY CONTRACT OR UNEXPIRED LEASE [DKT. 52]**

COMES NOW Regions Bank ("Regions"), by and through the undersigned counsel, and hereby responds to the *Motion of TCF Equipment Finance, a Division of TCF National Bank, ("TCF") to Require Debtor's Assumption or Rejection of Executory Contract or Unexpired Lease [Dkt. 52]* as follows:

1. Regions is a secured creditor of: (a) the Debtor in this Chapter 11 proceeding, Pro Logging, Inc. ("Logging"); (b) Pro Trucking, Inc, a Debtor in a separate Chapter 11 proceeding pending before this Court ("Trucking"); and Pro South, Inc., ("South") an affiliate of Logging and Trucking by virtue of the common majority (or sole) shareholder, Mr. Russell Marion Stites ("RMS"). Logging, Trucking and South are referred to collectively as the "Corporate Obligors"

2. On or about November 3, 2016, the Corporate Obligors joined as co-makers on certain promissory notes payable to Regions (the "Regions Notes" or the "Regions Obligations"), which have been amended, modified and or renewed from time to time. To secure the Notes, the Corporate Obligors granted certain security interests to Regions in their personal property, including their equipment. In addition, South, RMS and Amy Glisson Stites ("AMS") executed certain first priority, and second priority, deeds to secure debt in favor of Regions to secure the Regions Obligations (the "DTSD's").

3. Regions opposes, and objects to, any relief sought by, or granted to, TCF that does not recognize the relative priorities afforded to Regions pursuant to: (a) the applicable provisions of the Uniform Commercial Code, as adopted by the State of Mississippi (the “UCC”); (b) the United States Bankruptcy Code (the “Code”); or (c) applicable non-bankruptcy law.

4. Regions further opposes any final relief sought by, or granted to TCF that does not recognize Regions’ first and second priority in the real property owned by South, RMS and AMS, which is subject to the DTSD’s (the “Real Property”), including any fixtures, or equipment that has become a fixture, which are permanently affixed to the Real Property.

5. Regions further opposes any relief sought by, or granted to, TCF that would allow CCG to remove any equipment in which CCG is deemed to hold a first priority security interest from the Real Property in such a way that causes damage to the Real Property, including fixtures, or to any equipment or other personal property that is owned by South, RMS or AMS, in which Regions holds a lien that is senior in priority to the liens of TCF, without first compensating Regions for such damage, or offering Regions adequate assurance of compensation for such damage.

6. Regions expressly reserves any and all rights to assert any claims or defenses against TCF, or challenges to the priority of CCG’s: (a) pre-petition liens and security interests in and to the personal property of Logging, Trucking, South, RMS or AMS; or (b) any post-petition replacement liens and security interests granted to TCF, to the extent such pre-petition or post-petition liens and security interests of TCF conflict with, or are subordinate to, the pre-petition liens and security interests of Regions.

7. Regions prays for such other and different relief as is just and proper.

Dated this the 19th day of October 2018.

/s/ John M. Lassiter

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